

**CITY OF LODI
SPECIAL JOINT INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 24, 2007**

A Special Joint Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council and the Lodi Budget/Finance Committee was held Tuesday, July 24, 2007, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson

Absent: Council Members – None

Present: Lodi Budget/Finance Committee Members – Alegre, Harris-Wall, Johnson, Roberts, and Kirsten

Absent: Lodi Budget/Finance Committee Members – Domingo and Russell

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Discuss Possible Topics to be Reviewed by Lodi Budget/Finance Committee During the Course of Fiscal Year 2007-08"

City Manager King briefly introduced the subject matter.

Deputy City Manager Krueger provided an overview of the Budget Committee recommendations to the City Manager as presented in the fiscal year 2007-08 budget document, "Recommendations from Sub-Committees." He also reviewed the recommendations regarding the energy cost adjustment, Parks and Recreation/Hutchins Street Square organizational review, Code Enforcement consolidation, financial system, mobile home rates, cable franchise fees, fleet replacement policies, economic development, community redevelopment agency, and capital improvements and deferred maintenance study.

In response to Mayor Pro Tempore Mounce, Mr. Krueger stated the minutes from the Committee's meetings will be provided to Council as requested.

In response to Council Member Hitchcock, Mr. King stated there is an ongoing process of reviewing fire overtime as there was some reduction in the 2007-08 budget, but not as much as had been anticipated. He stated some of the reasons may be that not all the positions were filled and there is an increase in the training budget. Mr. King stated they will continue to monitor planned overtime, training overtime, and operational overtime. He also stated special events time is being charged to an incremental line item to calculate a special events budget in the future.

Council Member Hansen stated he would like to see a detailed review of the fire overtime one year after all the positions have been filled to determine if the reduction in overtime did offset the additional personnel. Mr. Krueger stated the overall Fire Department budget is still in the context that it needs to be in regardless and the goal has been achieved in that respect.

In response to Mayor Johnson, Mr. Krueger stated the new AS400 computer software program will be delivered in approximately six weeks and implemented shortly thereafter.

In response to Mayor Johnson, Dave Kirsten stated the use of certain consultants in the redevelopment project was not warranted because there was no serious opposition to the redevelopment project.

In response to Mayor Johnson, John Johnson stated he was opposed to the \$50,000 consultant fee for the capital improvement piece because the Committee and staff are capable of making the list themselves.

In response to Mayor Johnson, City Manager King stated staff may still conduct an internal review of a selected department and/or function in conjunction with the Committee.

Council Member Hansen suggested the Committee could review the park maintenance program, potential sales tax for public safety, and Transient Occupancy Tax (TOT). Mr. Krueger stated the Parks and Recreation Department did make presentations to the Committee, a white paper was completed regarding public safety, which can be expanded on, and a review can be done regarding the TOT and any other potential revenue sources. He stated subcommittees analyzed some of the issues on their own time because staff time is limited.

In response to Mayor Johnson, Mr. King stated the results of the citizen survey will be presented at the July 31, 2007, Shirtsleeve Session. He also discussed the role of citizen advisory committees versus temporary professional expertise, the privatization of mid-management functions, and the process of information gathering and responses.

Discussion ensued between the City Council and the Committee regarding options available for review with respect to the redevelopment matter.

Discussion ensued between Council Member Hitchcock and City Manager King regarding the need for a consensus on what the Committee's charge is, previous redevelopment efforts and the related costs and consultants, possibility of an election and timing for the same, and the possible usage of the Committee to review a feasibility study for the project development area.

In response to Mayor Johnson, Mr. King stated he expected to use existing committees, rather than creating new committees, in connection with the redevelopment project.

In response to Mayor Johnson, Mr. King stated the Planning Commission will be necessarily involved because it has a statutory role.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:22 a.m.

ATTEST:

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Discuss Possible Topics to be Reviewed by Budget/Finance Committee During the Course of Fiscal Year 2007-08

MEETING DATE: July 24, 2007

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Discussion only.

BACKGROUND INFORMATION: The Budget/Finance Committee was established by the City Council to provide advice to the City Council and City Manager on a broad array of financial and budget issues faced by the City of Lodi. Looking forward over the next several months, there are several issues that appear to be a good fit for the Budget/Finance Committee. The following are possible topics to consider for the Committee:

- **Feasibility study for a Redevelopment Project.** A very important part of the feasibility study for the Project Area is developing the size and related boundaries of the project area. This will involve developing a set of general assumptions of activities to be funded and revenue projections in relation to a dynamic set of economic factors.
- **Review of requests for qualifications for outside audit firm.** The City has been using the same audit firm for the last five years. Best management practices include review of qualifications and hiring a different audit firm on a periodic basis. This process involves sending out requests for qualifications and review of the proposals received from audit firms.
- **Internal audit/ performance review by outside specialist.** Earlier in the year, staff discussed with City Council the use of an outside specialist to evaluate the performance of City departments. We have set aside money for this purpose in the budget. The Committee could assist in determining the department to be reviewed, the scope of the work by the specialist and review of the results of the evaluation.

Staff is hopeful that these topics could be reviewed by the Budget/Finance Committee over the course of the next 6-12 months. In addition to these topics, the Committee will be reviewing the Energy Cost Adjustment formula each month and has expressed interest in reviewing other topics as well including Code Enforcement and Save the Grape Bowl progress.

FISCAL IMPACT: Not applicable.


James R. Krueger, Deputy City Manager

APPROVED: 

Blair King, City Manager